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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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JUL 15 1996

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In Re Applications Of	)	WT DOCKET NO. 96-41	
	)		
	)	File Nos	
LIBERTY CABLE CO., INC.	)	708777	WNTT370
	)	708778, 713296	WNTM210
For Private Operational Fixed	)	708779	WNTM385
Microwave Service Authorization	)	708780	WNTM555
and Modifications	)	708781, 709426, 711937	WNTM212
	)	709332	NEW
New York, New York	)	712203	WNTW782
	)	712218	WNTY584
	)	712219	WNTY605
	)	713295	WNTX889
	)	713300	NEW
	)	717325	NEW

To: Hon. Richard L. Sippel  
Administrative Law Judge

**JOINT MOTION BY BARTHOLDI CABLE CO., INC., AND WIRELESS  
TELECOMMUNICATIONS BUREAU FOR SUMMARY DECISION**

**LIST OF JOINT EXHIBITS**

CONSTANTINE & PARTNERS  
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Eliot Spitzer  
Yang Chen  
909 Third Avenue  
New York, New York 10022

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Michael K. Baker  
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CHIEF, WIRELESS  
TELECOMMUNICATIONS BUREAU  
Joseph Paul Weber  
Katherine C. Power  
Mark L. Kearn  
Wireless Telecommunications Bureau  
Federal Communications Commission  
2025 M Street, N.W., Rm. 8308  
Washington, D.C. 20554

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List A B C D E

CHG

**In re Applications of LIBERTY CABLE CO., INC.  
For Private Operational Fixed Microwave Service  
Authorizations and Modifications**

**WT Docket No. 96-41**

**LIST OF JOINT EXHIBITS**

<b><u>Exhibit</u></b>	<b><u>Date</u></b>	<b><u>Document</u></b>
1	1/31/96	Response of Liberty Cable Co, Inc. to Request for Proposals for Franchises for Cable Television Services Not Utilizing the Inalienable Property of the City
2	4/16/90	Comments of Liberty Cable, Inc., In the Matter of Amendment of Part 94 of the Commission's Rules to Permit Video Distribution Systems of Video Entertainment Access to the 18 GHz Band (PR Docket No. 90-5)
3	2/26/92	Price memo to McKinnon re: FCC licensing and procedures (Stern Dep. Exh. 3)
4	9/20/95	Lloyd Constantine Affidavit, In the Matter of Liberty Cable Co., Inc., Application for Review of the Denial of the Wireless Telecommunications Bureau of a Request for Confidentiality Pursuant to Sections 0.457 and 0.459 of the Commission's Rules (Price Dep. Exh. 9)
5	6/12/95	Behrooz Nourain Declaration
6	6/16/95	Liberty's reply to Michael Hayden's June 9, 1995 letter (Price Dep. Exh. 8)
7	7/13/95	Memo from Price to Tenety, Ontiveros and Nourain re: FCC Compliance (Price Dep. Exh. 2)
8	1994	Comsearch invoices and path coordinations for 430/440 E. 56th Street; 1295 Madison Ave; 35 E. 85th Street; 380 Rector Place
9	8/14/95	Letter from Howard C. Davenport to Liberty's counsel regarding Liberty's Pending Request for Special Temporary Authority
10	7/10/95	Letter from Bertina Ceccarelli, Liberty's Director of Marketing, to Liberty customers regarding suspension of billing

<b><u>Exhibit</u></b>	<b><u>Date</u></b>	<b><u>Document</u></b>
11	7/10/95	Liberty internal memoranda regarding suspension of billing (Foy Dep. Exh. 29)
12	Undated	FCC Path License Check List form
13	4/27/92	Letter from the City of New York, Department of Telecommunications and Energy, to James MacNaughton, Esq., regarding the application of the Russian American Broadcasting Company for a license to operate a satellite-delivered video and audio service in the City
14	10/31/94	Liberty's Answer and Appearance, In the Matter of Petition of Time Warner Cable of New York City and Paragon Cable Manhattan regarding the operations of Liberty (Docket No. 90460), New York State Commission of Cable Television ("NYSCCT")
15	10/13/93	Council of the City of New York's Resolution No. 1639
16	6/28/94	Liberty's letter response to Time Warner's complaint filed with NYSCCT
17	7/6/94	Letter from Liberty to Department of Information Technology and Telecommunications ("DOITT") regarding cable television franchise requirement
18	7/22/94	Letter from DOITT to Liberty in response to inquiry about cable television franchise requirement
19	8/23/94	NYSCCT's Order to Show Cause
20	10/28/94	Letter from Liberty to DOITT, seeking to apply for cable television franchise
21	1/30/95	Affidavit of Roosevelt Mikhail submitted in <i>Liberty v. City of New York</i>
22	11/18/94	NYSCCT's Notice of Hearing
23	12/9/94	Letter from DOITT to NYSCCT stating that the City of New York will not be appearing at hearing

<b><u>Exhibit</u></b>	<b><u>Date</u></b>	<b><u>Document</u></b>
24	12/9/94	Transcript of NYSCCT proceeding pursuant to notice (excerpt)
25	1/9/95	Time Warner's Petition to Deny or Condition Grant, In re Applications of Liberty Cable Co., Inc., for Private Operational Fixed Microwave Radio Service Authorizations and Modifications
26	2/21/95	Affidavit of Behrooz Nourain submitted in <i>Liberty v. City of New York</i>
27	5/17/95	Liberty's Surreply to Time Warner's May 5, 1995 Reply to Opposition (Price Dep. Exh. 7)
28	6/9/95	Letter from Michael Hayden to Liberty requesting additional information regarding Time Warner's allegations raised in its Response to Surreply filed June 1, 1995
29	4/7/92	Letter from Liberty to the Commission regarding Definition of a Cable Television System, MM Docket No. 89-35
30	7/12/95	Liberty requests for Special Temporary Authority
31	1/24/95	Liberty's Opposition to Time Warner's Petition to Deny or Condition Grants
32	11/13/95	DOITT's Request for Proposals for Franchises for Cable Television Services Not Utilizing the Inalienable Property of the City
33	1/18/95	Lincoln Harbor Yacht Club Private Cable Agreement (filed separately under seal)



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ALL STATE (FGA) 800 222 0510 ECT

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RESPONSE  
OF  
LIBERTY CABLE COMPANY, INC.  
TO REQUEST FOR PROPOSALS  
FOR  
FRANCHISES FOR CABLE TELEVISION SERVICES NOT  
UTILIZING THE INALIENABLE PROPERTY OF THE CITY

Date: January 31, 1996

Received Six (6) copies  
Nicole D. Dupree  
Asst. to David Bronston  
General Counsel  
1/31/96 @ 12:20 pm  
Dept. of Information  
Technology & Telecommunications

Peter O. Price, President of Liberty Cable Company, Inc., ("Liberty") being duly sworn,  
hereby

1. attests to the accuracy of the information contained in this Response to Request for  
Proposals for Cable Television Services not Utilizing the Inalienable Property of the City,

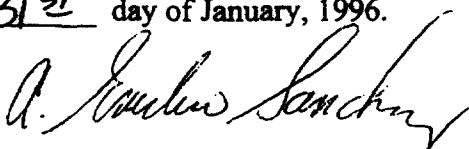
2. acknowledges that all representations in the response are binding upon Liberty and  
that failure to adhere to any such representations may result in termination of any franchise  
awarded to Liberty, and

3. grants consent to the New York City Department of Information Technology and  
Telecommunication to inquire into any matter contained in the response and into the legal,  
character, technical, financial, and other qualifications of Liberty.



Peter O. Price  
President, Liberty Cable Company, Inc.

Sworn to before me this  
31<sup>st</sup> day of January, 1996.



A. EVERLICE SANCHEZ  
Notary Public, State of New York  
No. 01SA5044948  
Qualified in New York County  
Commission Expires June 12, 1997

## Introduction

Liberty Cable Company, Inc. ("Liberty") is the primary competitor of the incumbent monopolist Time-Warner Cable of New York City ("Time Warner") in the provision of cable television services in New York City. Liberty currently serves approximately 30,000 customers, providing comparable and alternative programming with superior reception to that provided by Time Warner, yet Liberty generally charges approximately 25% to 35% less than Time Warner.

Liberty submits this response to seek a franchise for cable services without utilizing the inalienable property of the City of New York. Although Liberty is submitting a response to the Request for Proposals ("RFP") issued by the New York City Department of Information Technology and Telecommunication ("DOITT") on November 13, 1995, Liberty maintains that any statutory or regulatory requirement that Liberty obtain a franchise in order to provide cable service to customers without utilizing the inalienable property of the City ("city property") is an infringement of Liberty's and its customers' speech and press rights as secured by the First Amendment of the United States Constitution. Liberty's participation in this franchising process does not represent a waiver of Liberty's right to challenge the authority of the City or any other entity to require that Liberty obtain a franchise, nor is it an indication that Liberty has altered its legal views, articulated in litigation pending in the United States District Court for the Southern District of New York, that the requirement of any franchise, and particularly the franchise regime specified in the RFP, is unconstitutional.<sup>1</sup>

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<sup>1</sup> By raising these Constitutional objections, Liberty is not seeking any determination by DOITT or any other City agency of the validity of these claims.



## I. Basic Characteristics/System Description

### 1. Scope of Liberty's Application and Universal Coverage

Liberty seeks a ten year franchise that permits it to provide service in all community board districts in the City of New York. The franchise sought would authorize service to non-commonly owned, managed or controlled buildings without using the inalienable property of the City of New York.<sup>2</sup> Liberty is not in a position to be bound by any purported obligation to provide service to "all persons residing in that portion of the city covered by such franchise." City Council res. 1639 ¶ 18.

### 2. Description of the Video System Proposed

Liberty currently distributes its signal to approximately 30,000 customers through the Liberty video system, which is described below. Liberty anticipates that service provided pursuant to a franchise would be nearly identical to that currently provided to non-commonly owned, managed, or controlled buildings by means of coaxial connections that do not use the inalienable property of the City of New York.

In December 1991, Liberty was granted the first license by the Federal Communications Commission (the "FCC") to distribute video programming to customers using microwave

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<sup>2</sup>Pursuant to 47 U.S.C. Sec. 521 et seq. Liberty already services approximately 30,000 customers. This service does not require that Liberty obtain a franchise, because the service provided does not constitute a cable system pursuant to 47 U.S.C. Sec. 522(7). (A small percentage of the 30,000 customers reside in buildings serviced by means of non-common systems. Whether Liberty can service these customers without a franchise is the subject of pending litigation, as the City knows, in the Federal District Court for the Southern District of New York.) The franchise sought here is exclusively to authorize service to customers by means that do not fall within the exceptions to the definition of a "cable system" found in 47 U.S.C. 522 (7).

frequencies in the 18 GHz frequency range. Utilization of the 18 GHz frequency permits Liberty to use point-to-point microwave signals to deliver video programming from a central satellite down link to a series of microwave receivers on building roofs, eliminating the need for an extensive infrastructure of hardwire cable and signal amplifiers required by competing franchised cable systems.

Liberty currently operates on a "hub and spoke" concept, with a single major satellite downlink (where the company's satellite receiving equipment is located) and eight microwave "relay hubs," which receive and retransmit the microwave signal either to an additional microwave relay hub or directly to a receiving building. Technologically, Liberty is not limited in the number of satellite downlinks or relay hubs it can employ. At the subscribing building, the microwave signals are received by a rooftop dish antenna and transferred to coaxial cable, which is connected from the rooftop antenna to a subscriber's television set or descrambling converter box.

The 18GHz system is state of the art and is in many ways preferable in a high density urban market to other technologies that have been developed to compete with existing franchised cable television, such as wireless cable, 28GHz "cellular" television and direct broadcast satellite. 18 GHz technology is preferable primarily because of : (1) its 72 channel capacity, all capable of being immediately energized, compared to approximately 30 to 35 channels for wireless cable systems and up to 49 channels for cellular television service, (2) the lower capital cost for each customer than cellular television service, and (3) the elimination of the cost of individual subscriber antennae necessary for direct broadcast satellite, wireless cable and cellular television systems.

Liberty has tested switched video dialtone service using NYNEX equipment to offer interactive, on-demand programming. Liberty is committed to testing and introducing new technologies where appropriate and intends to explore the use of all available technologies to expand and improve the Liberty video system.

Pursuant to the franchise, Liberty would be able to use coaxial cable to connect adjacent, non-commonly owned, managed, or operated buildings to a single receive dish. This will increase Liberty's ability to compete with the existing cable monopolist and will give many city residents the opportunity to choose between cable providers.

### 3. Commercial Access, Educational, Charitable and Governmental Use

Notwithstanding Section 595.4 of the New York State Code of Rules and Regulations<sup>3</sup>, Liberty is willing to dedicate one channel of the existing 72 for public, educational, I-NET, and other governmental (PEG) access. The precise portion of daily time available on this channel that will be set aside for access cablecasting and the facilities, equipment and staff to be made available to access users have not yet been determined. As Liberty expands its channel capacity, Liberty will consider adding a second channel for PEG access. Within the constraints established by having only one channel available for PEG, Liberty will allocate the available time for programming in accordance with the requirements of Section 595.4 of the New York State Code of Rules and Regulations. Liberty is not in a position to contribute to Crosswalks.

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<sup>3</sup> Section 595.4 requires that a minimum of one channel be provided for public access when the activated capacity of the system exceeds 15 channels, and also requires that more than one channel be dedicated to such use when there is sufficient usage and a municipal request for additional channel capacity dedicated to public access.

Liberty will comply with FCC rules regarding emergency alert systems ("EAS") and will participate in the City's emergency alert program. Liberty is able, using its existing technical systems, to interconnect PEG, I-NET and EAS to the existing Liberty video system.

**4. Fees Paid to the City in return for the Franchise**

As a fee to the City, in return for the grant of the franchise, Liberty is willing to pay to the City \$50.00 per year per non-common multiple dwelling unit serviced within the franchise area. The amount reflects the single essential fact relating to this franchise application: Liberty does not use any City property and therefore does not burden the city. <sup>4</sup>

**5. Channel Selections**

One of the distinguishing features of Liberty's service is its ability to customize the service provided to individual customers. Thus, while Liberty provides the wide array of channels traditionally provided by cable companies, including local and distant off-air programming, sports, cultural, news, children's programming and pay-per-view services, Liberty is also able to provide unique programming upon request. Because of the unique capacity to customize its service, Liberty's transmissions can more readily reflect the diverse ethnic and cultural composition of New York City. Liberty does not need to make decisions for consumers about the composition of the programming that is provided. Rather, Liberty's customers, when negotiating with Liberty, are free to choose virtually any programming mix. Thus, Liberty would be able to provide unique programming focusing on local sports, children's programming,

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<sup>4</sup> Liberty is not in a position to pay the attorneys fees of the city should there be a negotiation between Liberty and the City. Liberty cannot accept an open-ended obligation to cover the legal fees of the city.

the needs of mentally or physically challenged persons, or the elderly. Exhibit A lists the range of channel selections that Liberty now makes available to its customers although this range can be expanded to meet the desires of the particular customers at any building.

Liberty does not at this time anticipate undertaking any original cablecasting in the immediate future, although it has had preliminary discussions with various programmers designed to generate programming that would be suited to the particular characteristics of the New York City market..

#### 6. Technical Features

Liberty's video system is state of the art. Liberty provides 72 channels using a Hughes AML broadband 18GHz system. Liberty has also tested a broadband AM fiber optic system using NYNEX equipment to provide interactive, on-demand programming. Liberty is very active in testing new technologies to provide increased channel capacity and improved signal quality in order to permit new programming and additional services.

#### 7. Rates to Customers

Liberty usually guarantees rates significantly below those charged by the incumbent cable franchisee for comparable service. The rates charged to each subscribing building vary, depending upon the channel selections made by the subscriber, various costs attendant to establishing service at various buildings, and the nature of the contract between Liberty and the building.

#### 8. Customer Service

Liberty prides itself in providing the highest quality customer service, and this is reflected by both the low number of customer complaints and the rapidity with which Liberty

addresses those complaints. One example of Liberty's reliability is its continuous service, throughout New York City, during the blizzard of '96. Liberty, unlike Time Warner, experienced no service outages even when confronted by the recent severe winter storm the City experienced. Other examples are Liberty's leadership in providing Electronic Program Guide, Pay-Per-View, and a guarantee of a 24 hour response time for customer complaints.

## **II. Technical Qualifications and Performance Standards**

### **1. Qualifications**

Liberty is uniquely qualified to design and build a cable system to service customers throughout the area for which a franchise is sought. Proof of this is Liberty's record in servicing approximately 30,000 customers throughout New York City. Liberty has created and developed much of the existing technical expertise in the area of 18GHz service and continues to expand the technological breadth of the entire industry by virtue of its continuing work in this area. Liberty has an in-house technical staff that is able to design and install entire cable systems for customers. Among those involved are Anthony Ontiveros, Martin Sperber and John Tenety . Attached as Exhibit B is a description of the expertise of each. When necessary, Liberty involves outside contractors to assist in the design or installation of a system within a given building.

### **2. Technical Performance**

Liberty does, and will continue to, comply with the technical standards defined by the FCC in 47 C.F.R. Sec. 76.601 et seq. Liberty has been satisfying the requirements of these rules for more than five (5) years and is fully aware of the stringent requirements established by the FCC to insure the quality provision of service to cable customers.

### 3. Testing

Liberty currently has a rigorous set of testing procedures that are used to insure that Liberty's signal satisfies not only relevant FCC regulations but also the demands of its clientele. Liberty performs semi-annual FCC-type system performance testing and periodic system wide signal leakage tests.

### 4. Technology Upgrade

Liberty is aggressively pursuing the use of new technologies that will not only expand the number of channels available to customers but also permit interactivity. By experimenting with video dialtone service, which would permit interactive, on-demand programming, Liberty has once again shown itself to be in the forefront of consumer-oriented cable companies. It is not possible at this time to predict when interactivity will be introduced into the Liberty System on a global basis.

### 5. Preventive Maintenance Program and Reporting

Liberty conducts continuous building and system maintenance. Liberty's agreement with its customers guarantees that Liberty will provide signal quality at least as good as that provided by the local currently franchised cable operator. This is accomplished through quarterly inspections of all buildings served by Liberty. Inspections include, among other tests, measuring the microwave and RF signal levels and examining the critical elements of the physical plant -- the antenna, antenna mount, feeder cables, lockboxes, power supplies, amplifiers, conduit and molding. The microwave signal is routinely monitored. This meticulous preventive maintenance effort helps explain why Liberty, unlike Time Warner, experienced no service outages during the blizzard of '96.

### **III. Unique Qualifications**

Liberty has distinguished itself over the past decade as a leading consumer-oriented cable company, willing to challenge entrenched monopolists insensitive to consumers both in terms of the product delivered and the price demanded. Liberty has demonstrated the facility to compete with new technology in a market place that is complex, demanding, and capital intensive.

Liberty has demonstrated the tenacity and staying power to challenge out-dated regulatory and legal hurdles in its effort to provide to New York City consumers a higher quality product at a lower price. Not suprisingly, Liberty's offer of customized programming with higher quality and a lower price has been embraced by over 160 buildings and approximately 30,000 customers.

That is powerful evidence of the unique qualifications that Liberty has to provide expanded cable service throughout New York City.

### **IV. Other Cable Systems**

Liberty does not operate video systems outside the greater New York City metropolitan area. The only systems operated by Liberty are those already described in this submission. Consequently, the exhibits attached to the RFP pertaining to affiliated systems are inapposite.<sup>5</sup>

### **V. Construction**

#### **1. Qualifications**

Liberty has demonstrated its capacity to construct and operate a video system over the

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<sup>5</sup>Neither the applicant nor any of its principals owns or operates a newspaper, radio station or broadcast television system, directly or indirectly.



past ten years. It has built over 160 systems and now services approximately 30,000 customers. Liberty is operated by individuals who are skilled at the design and construction of not only video systems but much larger structures, and Liberty's in-house capacity to design and construct is established by its track record over the past ten years.

Liberty is capable of completing construction of all relevant cable systems within 120 days of the date of execution of a contract with the subscriber or entity representing the subscriber, provided it receives the necessary FCC authorizations. Further, as evidenced by the existing Liberty system, Liberty's construction is of the highest standards, using only materials of good and durable quality, and all work is performed in a safe, thorough and reliable manner.

## 2. Agreements

None.

## 3. Schedules/Sequencing Plans

This cannot be predicted. Liberty will provide service to those requesting service with whom Liberty can reach a mutually agreeable contractual agreement. Liberty has the capital and resources available to build a cable system for those with whom it contemplates reaching such an agreement. Because it is impossible to predict when or where these contracts will be executed, it is not possible for Liberty to define the locations of future antennae and head ends.

## 4. Resources

Liberty has available both the capital and the human resources necessary to build the cable systems that will be required to service the customers with whom Liberty reaches a contractual understanding.

### 5. Coexisting Wiring Plans

Liberty has experience coexisting with other Cable companies throughout New York City. Liberty has engineered and built cable systems that both coexist with Time Warner's cable service and/or replace Time Warner's service when replacement is sought by the subscribing entity. Liberty is fully aware of the Cable Home Wiring Rules issued by the FCC that control the relationship between an incumbent cable provider and a successor cable service.

### **VI. Financial and Background Information**

Members of the Milstein family are the sole shareholders of the applicant. Through various partnerships composed solely of family members, the Milstein family owns real estate having an equity value greater than \$100,000,000. Members of the same family also own, through a holding company, 91% of the stock of Emigrant Savings Bank (the "Bank"). Attached to this application as Exhibit C is financial statement for 1994 of the Bank showing a net equity in the Bank in excess of \$450,000,000. Such statements are prepared annually and are available in March of each year.

As stated above, Liberty cannot anticipate the precise scope of the video systems that will be built pursuant to the franchise. Consequently, the forms attached to the City's RFP that are designed to determine the sufficiency of the applicant's financial depth are inapposite to the video systems that Liberty anticipates constructing. This security, however, derives from the financial depth of the Milstein family, as set forth above. Moreover, because construction occurs only if a private party has opted to enter a contract with Liberty, the private parties choosing to obtain cable services from Liberty will have every incentive to insure that Liberty

has the capital depth necessary to fulfill its contractual obligations. However, as reflected in the track record of Liberty in building systems that are currently able to service approximately 30,000 customers, Liberty and its owners have sufficient financial depth to insure that any obligations assumed are satisfied.

In response to Section 594.5(h) of Title 9 of the New York State Code of Rules and Regulations, neither the applicant nor any principal has ever been convicted of or indicted for a crime involving moral turpitude has ever been held liable by any court of competent jurisdiction in any civil action based on fraud, deceit, or misrepresentation, or has ever been punished or censured in any violation or attempted violation of any law, rule or order relating to cable television operations.

## EXHIBIT A



- |                             |                                       |
|-----------------------------|---------------------------------------|
| 2 WCBS - New York           | 39 Discovery                          |
| 3 Prevue Guide              | 40 BET                                |
| 4 WNBC - New York           | 41 WXTV - New Jersey                  |
| 5 WNYW - New York           | 42 CNBC                               |
| 6 WTBS - Atlanta            | -- 43 Viewer's Choice 1               |
| 7 WABC - New York           | -- 44 Viewer's Choice 2               |
| 8 CNN                       | -- 45 Spice                           |
| 9 WWOR - New York           | • 46 NewSport/MuchMusic               |
| 10 ESPN                     | 47 WNJU - New Jersey                  |
| 11 WPIX - New York          | 48 VH1                                |
| 12 Lifetime                 | 49 MTV                                |
| 13 WNET - New York          | 50 E! Entertainment                   |
| • 14 HBO                    | 51 Weather Channel                    |
| • 15 CINEMAX                | 52 WGN - Chicago                      |
| • 16 SHOWTIME               | 53 CNN Headline News                  |
| • 17 THE MOVIE CHANNEL      | 54 The Learning Channel               |
| • 18 DISNEY                 | 55 Turner Classic Movies              |
| • 19 PLAYBOY                | 56 Sci-Fi Channel                     |
| 20 Bravo                    | 57 The History Channel                |
| 21 WLIW - Long Island       | 58 United Nations TV/MSG II           |
| • 22 SportsChannel          | • 59 BBC World                        |
| 23 AMC                      | 60 The Cartoon Network                |
| † 24 MSG                    | 61 QVC                                |
| 25 WNYE - New York          | 62 Home Shopping Network              |
| 26 A & E                    | 63 Bloomberg Information TV           |
| 27 Family Channel           | 64 America's Talking                  |
| 28 Nickelodeon              | 65 CNN International/CNNfn            |
| 29 Comedy Central           | 66 ESPN 2                             |
| 30 Independent Film Channel | 67 TV Food Network                    |
| 31 WNYC - New York          | 68 Court TV                           |
| 32 TNT                      | 69 Building Video Surveillance        |
| 33 USA                      | 70 Building Electronic Bulletin Board |
| 34 Sundance Channel         | 98 PPV Previews                       |
| • 35 TV JAPAN               |                                       |
| 36 C-SPAN                   |                                       |
| 37 C-SPAN 2                 |                                       |
| 38 International Channel    |                                       |

• Premium Channels.

-- Pay-Per-View Channels.

† MSG events occasionally shown on MSG II, channel 58.

• Channels available only in bulk.

• Coming in 1996.

Effective 1/96

Customer Service  
7:00 am-11:00 pm  
212-891-7770

Emergency Service  
11:00 pm-7:00 am  
212-891-7788

## EXHIBIT B

Anthony J. Ontiveros is a 13-year veteran in the telecommunications industry with an extensive managerial and technical background in cable television, telephony, data networks, microwave communications and satellite downlink facilities.

John Tenety has 26 years of experience in construction, maintenance, operation and project management of large apartment buildings in New York City. His vast knowledge in this industry adds a complimentary expertise to constructing cable television systems.

Martin Sperber has 34 years of experience in engineering and management innovations. The last 26 years have been dedicated to television, communications technology and the subscription TV industry. This period was initiated in 1970 with the invention and development of the Blonder-Tongue addressable scrambling system. During this period, Mr. Sperber engaged in R&D, FCC matters, marketing, manufacturing, quality control, corporate and new product development for his clients and employers. From 1979 to 1982, as Chartwell Communication's VP and Chief Technical Officer, Mr. Sperber successfully guided the corporation. He launched it operating STV markets, pioneering in technical and operation areas. In 1982, Mr. Sperber joined Microband Corporation of America as Senior VP of Technical Affairs. He directed the corporate market research, engineering, FCC regulatory and operations activities. Martin Sperber earned BSEE and MSEE degrees from NJ Institute of Technology. He is the holder of many patents and patent disclosures relating to data, television and voice communications technology.

# CONSOLIDATED STATEMENT OF CONDITION

# CONSOLIDATED STATEMENT OF OPERATIONS

**EMIGRANT  
SAVINGS BANK**

**JUNE 30, 1995  
INTERIM REPORT**

June 30, 1995 (000 omitted)

Year to Date June 30, 1995 (000 omitted)

## ASSETS

Cash on hand and due from banks	\$ 47,274
Money Market Investments	405,000
Securities:	
Available for sale	1,055,663
Held to maturity	<u>715,606</u>
Total securities	<u>1,771,269</u>
Loans receivable, net	3,678,203
Premises and fixed assets, net	70,223
Intangible assets	5,784
Other assets	<u>94,410</u>
Total assets	<u>\$6,072,163</u>

## LIABILITIES AND NET WORTH

Deposits	\$5,402,755
Borrowed funds	140,933
Other liabilities	<u>31,404</u>
Total liabilities	<u>5,575,092</u>

## NET WORTH

Common stock	1
Common stock additional paid-in capital	124,999
Surplus fund	7,005
Undivided profits, net	361,055
Net unrealized holding gains on available for sale securities, net	<u>4,011</u>
Total net worth	<u>497,071</u>
Total Liabilities and Net Worth	<u>\$6,072,163</u>

Total interest and dividend income	\$208,008
Total interest expense	<u>103,349</u>
Net interest and dividend income before provision for possible loan losses	104,659
Provision for possible loan losses	<u>2,100</u>
Net interest and dividend income after provision for possible loan losses	102,559
Non-interest income	5,391
Gains on securities, net	4,517
Non-interest expense	<u>51,936</u>
Income before provision for income taxes	60,531
Provision for income taxes	<u>25,690</u>
Net income	<u>\$ 34,841</u>

More information concerning the remuneration of the three highest paid officers and the directors' fees may be obtained upon written request from the State of New York Banking Department, Two Rector Street, New York, New York 10006. A fee of \$.25 is required.

Not shown in this Consolidated Statement of Condition are the assets of the Life Insurance Department which alone are available to meet the liabilities of that department.

A copy of the Bank's Consolidated Report of Condition and Income, as filed with the Federal Deposit Insurance Corporation, is available to customers upon request.

Member, Federal Deposit Insurance Corporation





BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

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In the Matter of :

Amendment of Part 94 of the Commission's Rules to Permit Private Video Distribution Systems of Video Entertainment Access to the 18 GHz Band :

PR Docket No. 90-5

RM-6014

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Comments of Liberty Cable, Inc.

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